

BAKER & HOSTETLER LLP

45 Rockefeller Plaza

New York, NY 10111

Telephone: (212) 589-4200

Facsimile: (212) 589-4201

David J. Sheehan

dsheehan@bakerlaw.com

Marc E. Hirschfield

mhirschfield@bakerlaw.com

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and
Bernard L. Madoff*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES, LLC

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

Adv. Pro. No. 08-01789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

NOTICE OF SETTLEMENT

PLEASE TAKE NOTICE that pursuant to an order of the Bankruptcy Court (as defined below), dated November 12, 2010 (the “Settlement Procedures Order”), Irving H. Picard, in his capacity as the Trustee (“Trustee”) for the liquidation proceedings under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* of Bernard L. Madoff Investment Securities LLC and

the substantively consolidated Chapter 7 case under the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) of Bernard L. Madoff, is authorized to enter into Settlement Agreements¹ with transferees in settlement of Avoidable Transfers in an amount up to and including \$20 million on an account by account basis.

PLEASE TAKE FURTHER NOTICE that for those settlements in an amount greater than \$7.5 million and less than or equal to \$20 million (on an account by account basis), the Settlement Order provides that the Trustee will periodically file with the Court a Notice of Settlement that will disclose the financial details of such Settlement Agreement, including the dollar amount of the settlement, the total amount of the Avoidable Transfers and, if applicable, any relevant information considered by the Trustee in reaching the settlement.

PLEASE TAKE FURTHER NOTICE that pursuant to the Settlement Procedures Order, the Trustee hereby gives notice that he has entered into a Settlement Agreement, as set forth on Exhibit A hereto (the “Notice of Settlement”).

PLEASE TAKE FURTHER NOTICE that pursuant to the Settlement Procedures Order, if no objection to the Notice of Settlement is filed and served upon the Trustee within fourteen days after the date hereof, the Settlement Agreement and the Notice of Settlement will automatically become effective and binding on the parties.

¹ Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Settlement Procedures Order.

Dated: New York, New York
August 14, 2012

BAKER & HOSTETLER LLP

By: /s/ Marc. E Hirschfield

David J. Sheehan

Marc E. Hirschfield

45 Rockefeller Plaza

New York, NY 10111

Telephone: (212) 589-4200

Facsimile: (212) 589-4201

*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation
of Bernard L. Madoff Investment Securities
LLC and Bernard L. Madoff*

EXHIBIT A

SUMMARY OF SETTLEMENT

TOTAL AVOIDABLE TRANSFERS²	SETTLEMENT AMOUNT	BASIS OF SETTLEMENT
\$23,602,882.00	\$10,500,000.00	Compromise to account for litigation and collection risk factors.

² Settlement covers multiple feeder fund defendants, each of which received avoidable transfers of less than \$20 million.